Internal Revenue Service

Department of the Treasury

District Director P.O. Box 1689, GPO Brooklyn, N.Y. 11202



Person-to Contact:

Contact Telephone Number:

Ref & Caply to:

CERTIFIED MAIL

Dear Applicant:

We have considered your application for recognition of exemption under section 501(c)(8) of the Internal Revenue Code.

The evidence presented reveals that you were created as an unincorporated association on School Your purpose as stated in your Articles of Organization is to provide a list of mothers and fathers willing to babysit at their convenience in exchange for the same.

Your activities consist of collecting per member for annual dues, to cover the cost of printing materials, postage and providing refreshments at meetings. The organization then provides to members a list of mothers (and fathers) willing to be called on to babysit in exchange for the same.

Section 501(c)(8) of the Code provides, in part, for granting exempt status to organizations which are fraternal beneficiary societies, orders or associations, operating under the Lodge System or for the exclusive benefit of the members of a fraternity itself operating under a Lodge System and provides life, sick, accident and similar benefits to members and their dependents. Section 1.501(c)(8)-1(a) of the Income Tax Regulation provides that a fraternal beneficiary society is exempt from tax only if operated under the "Lodge System" or for the exclusive benefit of the members so operating. "Operating under the Lodge System" means carrying on an activity under a form of organization that comprises local branches, chartered by a parent organization and lampely self-governing, called Lodges, Charters, or the like.

Revenue Ruling 55-495 1955-2 CB 259, holds that an association that provides life, sick, accident or other benefits to members or their dependents, but does not operate unter the Lodge System, or for the exclusive benefit of the members of an organization so operating, is not exempt as a fraternal beneficiary society as described in Section 501(c)(8) of the Code.

Base upon the evidence presented, we and that you are not organized and operating for 501(c) 8) purposes, since you are not operating under the Lodge. System and your sole activity consists of providing a list of mothers and fathers willing to be by that their convenience in exchange for same, to the members of your organization.

Accordingly, we conclude that you do not meet the requirements for exempt status under section 501(c)(8) of the code and propose to deny your request for exemption under that section.

We have also determined that you fail to qualify for exempt status under any other subsection of IRC 501(c).

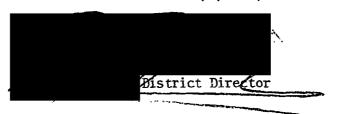
You are required to file a taxable return Form 1120 or 1041 with the District Director of Internal Revenue Service. Please send the return to the Internal Revenue Service, P.O. Box 1680, General Post Office, Brooklyn, NY 11202.

If you do not agree with this determination, you may protest in accordance with the enclosed instructions within 30 days.

Protests submitted which do not contain all the documentation stated in the instructions will be returned for completions.

If we do not hear from you within that time, this determination will become final.

Sincerely yours,



Enclosure: Publication 392